GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:41
ANSWERED ON:20.02.2006
SUBSIDY ON FERTILIZERS
Mandal Shri Sanat Kumar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total fertilizers subsidy provided during 2005-06;

(b) whether the Government proposes to increase subsidy on fertilizers in the coming year; and

(c) if so, the details thereof and if not, the reasons therefor ?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (c): A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (c) of the Lok Sabha Starred Question No. 41 to be answered on 20.2.2006

(a) to (c): A provision of Rs. 16253.90 crore for subsidy/concession on urea and decontrolled phosphatic and potassic fertilizers has been made in the Budget estimates for 2005-06. In addition to this, a sum of Rs. 1000 crore has been provided for subsidy/concession on fertilizers in the 2nd Batch of Supplementary Demands for Grants. There is no proposal to increase the rate of subsidy on fertilizers. The actual quantum of funds requirement for subsidy depends upon various factors viz. total consumption and the prices of feedstock/raw materials/intermediates used in the manufacture of fertilizers. It is likely that the requirement would exceed the existing provision for which the Department is taking necessary action in consultation with the Ministry of Finance.